

October 25, 1982

CONSOLIDATED SILVER BUTTE

Weather conditions at the Winer property of Consolidated Silver Butte located 25 kilometres north of Stewart, B.C. have forced cessation of the 1982 program by Esso Resources Limited of Vancouver, as of October 20th.

The three reverted Crown grants and the contiguous 12 unit located claim have been under option to Esso since August 1980. During the 1980 and 1981 field programs the property has seen systematic prospecting, detailed geological mapping, reconnaissance and detailed geochemical and geophysical programs and the excavation of some 8 trenches and the face blasting of six mineralized cuts.

The 1982 program emphasized diamond drilling in the vicinity of two well mineralized face cuts designated Face Cut #2 and Face Cut #3. These rock faces are some 800 feet east and two hundred feet vertically above the Granduc road which bisects the property. Blasting of these rock cuts had disclosed the sulphide mineralization to be faulted in numerous locations. The question arose as to whether the base and precious metals were associated with the fault structures or with the host formation, a silicified andesitic flow rock. The andesites, a unit of the Hazelton volcanic group, appear to trend north-south across the property with steep easterly dips. The offsetting fault structures strike roughly east-west with variable attitudes.

The steep terrain offered few natural drill sites with the result that the locations that were laboriously built were utilized to drill ring holes in several directions. The drill layouts were such that a set of holes would be drilled sub-parallel to the faults to probe the intervening area then turned to drill at right angles to the faults, that is along the formational trend. The complex geology with its attendant mineralization is not fully understood at this date.

At the time of shut-down some 23 diamond drill holes totalling feet had been completed at the two face cuts. Sixteen holes were drilled into #2 Face Cut area with seven holes probing the #3 Face Cut zone.

Core assaying is being done at the Granduc Mine Laboratory. To the date of this report assay results have been received only from the early holes. These are recorded in the following table.

<u>Hole No.</u>	<u>Location</u>	<u>Interval</u>	<u>Cu %</u>	<u>Pb%</u>	<u>Zn%</u>	<u>Ag (oz)</u>	<u>Au (oz)</u>
SB 3	FC #2	9.0 m	-	0.24	1.04	0.50	0.239
SB 4	FC #2	3.0 m	-	0.08	0.23	0.10	0.271
SB 5	FC #3	7.0 m	2.28	4.18	12.61	6.00	0.016
SB 6	FC #3	7.0 m	1.75	9.25	11.93	7.78	0.018
SB 7	FC #3	1.2 m	-	0.17	3.25	1.53	0.012
SB 8	FC #3	13.0 m	0.73	0.14	6.82	2.31	0.022
SB 9	FC #3	Assays to come					
SB 10	FC #3	16.0 m	0.35	0.50	3.00	1.42	0.035
SB 11	FC #3	No significant mineralization					
SB 12	FC #2	No significant mineralization					
SB 13	FC #2	Assays to come					
SB 14	FC #2	Assays to come					
SB 15	FC #2	Assays to come					
SB 16	FC #2	17.2 m	1.66	3.03	17.45	10.37	0.315

In addition to diamond drilling with two machines during 1982, Esso ran six Induced Polarization geophysical survey lines designed to fit into the topography while testing specific areas. Reaction from these lines was very promising with the result that further IP lines are forecast for the 1983 field season.

The drill program for 1983 is expected to be in the areas of 7,000 to 10,000 feet minimum employing two drill machines, helicopter supported.

During 1982, Esso ran two very rough preliminary bench tests from two 50 pound samples. The tests, which were not carried out with what field personnel consider as representative samples, will act as a guide for future bench tests.